

Message Text

CONFIDENTIAL

PAGE 01 CARACA 05903 01 OF 04 131737Z

ACTION ARA-14

INFO OCT-01 ISO-00 NSC-05 SS-15 SSO-00 PRS-01 CIAE-00

INR-07 NSAE-00 INRE-00 SP-02 DODE-00 ARAE-00

DHA-02 ACDA-07 PM-04 /058 W

-----131802Z 051669 /47

O 131517Z JUN 77

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC IMMEDIATE 8020

THE WHITE HOUSE IMMEDIATE

C O N F I D E N T I A L SECTION 1 OF 4 CARACAS 5903

NSC FOR ROBERT PASTOR

E.O. 11652: GDS

TAGS: OVIP (CARTER, MRS. ROSALYNN) VE

SUBJECT: MRS. CARTER'S SECOND CONVERSATION WITH PRESIDENT
CARLOS ANDRES PEREZ, SUNDAY, JUNE 12

1. SUMMARY. MRS. CARTER MET WITH PRESIDENT CARLOS
ANDRES PEREZ (CAP) FOR TWO HOURS ON SUNDAY MORNING
JUNE 12. THE CONVERSATION WAS STRUCTURED AROUND A DIS-
CUSSION OF POSSIBLE AGENDA ITEMS FOR CAP'S VISIT TO
WASHINGTON. OUT OF IT EMERGED A WIDE RANGING DISCUSSION
AS WELL AS SPECIFIC SUGGESTIONS AND IDEAS FOR FURTHER
CONSIDERATION, FOR JOINT COOPERATION, AND FOR ACTION
AT GRENADA. THE MAJOR POINTS WERE (A) CAP SAID GOV WOULD
PROPOSE AT GRENADA AN INCREASE IN THE BUDGET FOR THE
INTER-AMERICAN HUMAN RIGHTS COMMISSION AND ANNOUNCE
ITS INCREASED CONTRIBUTION; HE SAID HE WOULD CALL
PRESIDENTS LOPEZ AND ODUBER TO JOIN HIM; (B) CAP SUGGESTED
THAT THE JOINT DECLARATION ON HUMAN RIGHTS HE WILL
SIGN WITH PRESIDENT CARTER IN WASHINGTON DURING THE
VISIT INDICATE US-VENEZUELAN SUPPORT FOR THE COSTA RICAN
INITIATIVE TO ESTABLISH A UN HIGH COMMISSIONER FOR
HUMAN RIGHTS; (C) CAP SUGGESTED THAT VENEZUELA, THE US,
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CARACA 05903 01 OF 04 131737Z

CANADA, MEXICO AND COLOMBIA MEET URGENTLY TO EXCHANGE
IDEAS AND DEVISE A JOINT ECONOMIC DEVELOPMENT ASSISTANCE
PROGRAM FOR THE CARIBBEAN; THIS WOULD BE DIRECTED TOWARD
AIDING A CENTRAL ENTITY LIKE THE REGIONAL BANK WHICH IN
TURN WOULD HELP DEVELOP AN ECONOMIC INTEGRATION PROGRAM;
(D) CAP STRESSED THAT CONTINUATION OF THE GSP OPEC EXCLUSION
HURT THE US AND ITS CREDIBILITY MORE THAN THE COUNTRIES

CONCERNED; IT WAS INCONSISTENT WITH PRESIDENT CARTER'S POLICY FOR GREATER UNDERSTANDING AND DIALOGUE BECAUSE IT WAS DISCRIMINATORY; (E) CAP AND PEREZ GUERRERO DEFENDED OPEC AND THE PRICE ISSUE AND STRESSED THE NEED FOR EQUITABLE TERMS OF TRADE; BOTH SAID OPEC WAS AN INSTRUMENT IN NORTH-SOUTH DISCUSSION AND BOTH HOPED THAT PROGRESS WILL CONTINUE TO BE MADE IN NORTH-SOUTH; (F) CAP EXPRESSED INTEREST IN COOPERATION IN ENERGY TECHNOLOGY AND RESEARCH AND AGREED THIS TOPIC SHOULD BE DISCUSSED WITH PRESIDENT CARTER; (G) CAP REPEATED HIS ALARM AT THE AFRICAN SITUATION AND HIS URGING THAT THE US TAKE A MORE DECISIVE AND ENERGETIC POLICY TO COUNTER SOVIET AND CUBA'S EXPANDING INFLUENCE; HE SUGGESTED THAT THE US SHOULD TAKE THE INITIATIVE TO ESTABLISH AND PRESS DEADLINES FOR THE TERMINATION OF WHITE MINORITY RULE; (H) CAP RECOMMENDED THAT THERE BE CLOSE EXCHANGE OF INFORMATION AMONG VENEZUELA, DOMINICAN REPUBLIC AND THE US ON THE CUBAN EXILE TERRORIST GROUPS; (I) LABELLING BELIZE THE MOST DANGEROUS HOT SPOT IN THE CARIBBEAN HE SUGGESTED THAT VENEZUELA, THE UK, THE US AND MEXICO PRESSURE GUATEMALA TO ACCEPT BELIZE INDEPENDENCE AND A REASONABLE ARRANGEMENT THEREWITH; (J) VENEZUELA AND THE US SHOULD TAKE A STAND AT GRENADA IN SUPPORT OF THE TLATELOLCO TREATY, AND NON-PROLIFERATION SHOULD BE STRONGLY EMPHASIZED IN THE JOINT COMMUNIQUE ISSUED IN WASHINGTON DURING HIS VISIT; (K) CAP REPEATED HIS URGING THAT THE PANAMA TREATY BE CONCLUDED AS SOON AS POSSIBLE, AS WELL AS HIS SUGGESTION THAT THE US, VENEZUELA AND OTHERS SPONSOR A SOLUTION TO BOLIVIA'S ACCESS TO THE SEA PROBLEM PLUS A COOPERATIVE ECONOMIC AID PROGRAM TO FACILITATE INTEGRATION; (1) ON THE CONFIDENTIAL

CONFIDENTIAL

PAGE 03 CARACA 05903 01 OF 04 131737Z

PROPOSED UN TREATY ON ILLICIT PAYMENTS, CAP ARGUED FOR NOT SEPARATING THAT FROM THE CODE OF CONDUCT QUESTION BUT PROMISED TO CONSULT WITH OTHER LDC'S IN NEW YORK ON THE QUESTION OF PUSHING AHEAD ON THE TREATY; HE ALSO SAID HE WOULD PRESENT SOME IDEAS IN WRITING TO PRESIDENT CARTER DURING HIS VISIT. END SUMMARY

2. MRS. CARTER AND HER PARTY MET A SECOND TIME WITH PRESIDENT CARLOS ANDRES PEREZ (CAP) SUNDAY, JUNE 12 AT 9:30 A.M. FOR TWO HOURS. PRESENT ALSO WERE FOREIGN MINISTER ESCOBAR, MINISTER OF STATE FOR INTERNATIONAL ECONOMIC PLANNING PEREZ GUERRERO AND AMBASSADOR IRIBARREN. AFTER INITIAL GREETINGS AND AN EXCHANGE OF GIFTS, MRS. CARTER OPENED THE MEETING BY SAYING SHE WOULD LIKE TO REVIEW THE KINDS OF ISSUES THAT CAP WOULD LIKE TO RAISE IN WASHINGTON WITH PRESIDENT CARTER. FIRST, HOWEVER, SHE WOULD LIKE TO FOLLOW UP ON A COUPLE OF THINGS. SHE REFERRED TO HUMAN RIGHTS, AND THE SPECIAL RESPONSIBILITY WE HAVE BECAUSE WE FEEL THE SAME WAY TO WORK TOGETHER TO

PROVIDE LEADERSHIP IN THESE MATTERS. SHE SAID SHE UNDERSTOOD THAT VENEZUELA HAD JUST RATIFIED THE AMERICAN CONVENTION ON HUMAN RIGHTS. THIS WAS GREAT NEWS TO TAKE BACK. CAP OBSERVED THAT THE GOV HAD JUST RATIFIED BOTH THE OAS AND THE UN CONVENTIONS ON HUMAN RIGHTS.

3. MRS. CARTER THEN ASKED IF CAP THOUGHT WE COULD GET AN INCREASE IN THE BUDGET FOR THE INTER-AMERICAN COMMISSION ON HUMAN RIGHTS. CAP SAID VENEZUELA WOULD PROPOSE IT AND WOULD ANNOUNCE AN INCREASE IN VENEZUELA'S CONTRIBUTION. MRS. CARTER ASKED IF WE COULD STRENGTHEN THE ROLE OF THE CHAIRMAN AND AUTONOMY OF THE IAHR. CAP SAID THAT WE WILL FIND AN EFFORT BY THE SOUTHERN CONDE COUNTRIES TO REDUCE THE IMPORTANCE OF THE COMMISSION. BUT THE DEMOCRACIES MUST STAND FIRM AND REAFFIRM THE IMPORTANCE OF IT. HE AGREED THAT IT WAS IMPORTANT TO INCREASE THE AUTONOMY AND

CONFIDENTIAL

PAGE 04 CARACA 05903 01 OF 04 131737Z

ROLE OF THE CHAIRMAN. HE NOTED THAT THE CHAIRMAN WAS A VENEZUELAN, ANDRES AGUILAR. THE FOREIGN MINISTER OBSERVED THAT THE IAHR FUNDS COME OUT OF THE REGULAR OAS BUDGET, AND VENEZUELA WAS ONE OF THE VERY FEW COUNTRIES THAT WERE UP TO DATE. THEREFORE PERHAPS IT WOULD BE BETTER AND QUICKER TO HAVE THE OAS CREATE A SPECIAL BUDGET FOR THE IAHR. CAP SAID VENEZUELA COULD SIMPLY ANNOUNCE AND MAKE AN INCREASE IN ITS CONTRIBUTION WITH THE SPECIFIC STIPULATION OR CONDITION THAT IT GO TO THE IAHR.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 CARACA 05903 02 OF 04 131615Z
ACTION ARA-14

INFO OCT-01 ISO-00 NSC-05 SS-15 SSO-00 PRS-01 CIAE-00
INR-07 NSAE-00 INRE-00 SP-02 DODE-00 ARAE-00
DHA-02 ACDA-07 PM-04 /058 W
-----131803Z 050675 /47

O 131517Z JUN 77
FM AMEMBASSY CARACAS
TO SECSTATE WASHDC IMMEDIATE 8021
THE WHITE HOUSE IMMEDIATE

C O N F I D E N T I A L SECTION 2 OF 4 CARACAS 5903

NSC FOR ROBERT PASTOR

MRS. CARTER NOTED THAT IF THE COMMISSION HAD ITS OWN FUNDS IT WOULD HELP CREATE AUTONOMY. AMBASSADOR TODMAN NOTED THAT VENEZUELA WOULD FIND SOME OPPOSITION. LAST YEAR, HE OBSERVED, THE US OUT OF FRUSTRATION IN ITS EFFORT TO GET A BUDGET INCREASE DID THE SAME THING. IT MADE A SPECIAL CONTRIBUTION FOR THE IAHC AND WAS SERIOUSLY CRITICIZED. CAP SAID THAT NEVERTHELESS A GROUP OF LIKE MINDED COUNTRIES COULD MAKE AN INCREASED SPECIAL CONTRIBUTION, AND NO ONE CAN KEEP THEM FROM DOING THAT. MRS. CARTER SAID LOPEZ AND ODUBER HAD AGREED ON BOTH MORE FUNDS AND GREATER ROLE FOR THE CHAIRMAN. CAP SAID HE WOULD CALL ODUBER AND LOPEZ AND AGREE WITH THEM ON COORDINATED ACTION.

4. MRS. CARTER ASKED WHAT CAP THOUGHT OF THE IDEA OF A UN HIGH COMMISSIONER ON HUMAN RIGHTS. CAP SAID THAT IN HIS UN SPEECH HE MENTIONED HUMAN RIGHTS AND THE CONCEPT THAT SOME SAFEGUARDS OF SUPERNATIONAL CHARACTER WOULD BE NECESSARY. SO HE BELIEVES THE IDEA OF A UN HIGH COMMISSIONER IS IMPORTANT. HE SAID IF PRESIDENT CARTER AGREES THEY COULD ANNOUNCE A CONCRETE PROPOSAL IN THIS SENSE IN THE JOINT DECLARATION ON HUMAN RIGHTS TO BE ISSUED DURING HIS VISIT. AMBASSADOR TODMAN NOTED THAT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CARACA 05903 02 OF 04 131615Z

COSTA RICA HAS ALREADY PROPOSED A SIMILAR THING. CAP SAID THEN THEY COULD ANNOUNCE THEIR JOINT SUPPORT OF THE COSTA RICAN INITIATIVE.

5. MRS. CARTER SAID SHE HAD BEEN INTERESTED IN CAP'S COMMENTS FRIDAY ON THE CARIBBEAN. SHE ASKED HOW WE COULD APPROACH THE CARIBBEAN IN WAYS THAT WOULD RECOGNIZE THEIR ASPIRATION AND YET CONTRIBUTE TO DEVELOPMENT. CAP SAID THAT THE FUNDAMENTAL PROBLEM OF THE AREA IS ECONOMIC. IF WE DO NOT STRUCTURE A COOPERATIVE DEVELOPMENT PROGRAM, THE MINI-STATES WOULD FALL INTO ANARCHY OR WORSE BE DOMINATED BY SPECIFIC GROUPS OR BLOCS. VENEZUELA WOULD LIKE TO OFFER A PROGRAM OF ECONOMIC COOPERATION, BUT DOES NOT HAVE THE RESOURCES TO DO IT ALONE. VENEZUELA, CAP SAID, HAD DISCUSSED COOPERATION IN THIS SENSE WITH COLOMBIA, MEXICO AND CANADA. CAP SAID THAT HE BELIEVED THAT THESE COUNTRIES PLUS THE US SHOULD EXCHANGE IDEAS AND DEVISE A PROGRAM OF ASSISTANCE. THIS WAS URGENT.

6. ANOTHER ASPECT, CAP SAID, WAS LANGUAGE. THESE STATES ARE PREDOMINANTLY ENGLISH SPEAKING BUT ARE SURROUNDED BY

SPANISH SPEAKING NATIONS. COULD WE NOT DEVELOP, HE ASKED, A BROAD PROGRAM OF SPANISH SCHOOLS, WHICH WOULD HELP TO UNIFY THE AREA THROUGH BILINGUALITY.

7. CAP WENT ON TO OBSERVE THAT WE SHOULD DEVELOP AN ECONOMIC PROGRAM THAT WOULD ASSIST THE PROCESS OF ECONOMIC INTEGRATION OF THE REGION, BECAUSE MANY OF THESE COUNTRIES ARE TOO SMALL TO BE VIABLE BY THEMSELVES. MRS. CARTER NOTED THAT WOULD MEAN, THEN, INTERNATIONAL COOPERATION ON BOTH ENDS. CAP TOOK AS AN EXAMPLE THE DUTCH ANTILLES WHICH THE DUTCH RULE AS A UNIT. BUT NOW THE THREE MAIN ISLANDS WANT THEIR OWN INDEPENDENCE. THIS IS A BAD IDEA. WE SHOULD HELP THEM BECOME INDEPENDENT BUT AS A UNIT. PERHAPS EVEN IN A FEDERATION WITH OTHER ISLANDS. MR. PASTOR ASKED IF AN ECONOMIC PROGRAM WOULD BE CONFIDENTIAL

CONFIDENTIAL

PAGE 03 CARACA 05903 02 OF 04 131615Z

UNDERWRITTEN WITH A COMMON FUND OR AID GIVEN TO EACH COUNTRY INDIVIDUALLY. CAP SAID HE BELIEVED IT SHOULD BE DONE COLLECTIVELY RATHER THAN INDIVIDUALLY. IT WAS IMPORTANT TO AVOID APPEARING TO BE IMPERIALISTIC. MRS. CARTER NOTED THAT THEN WE COULD TOGETHER CHANNEL FUNDS TO SOMETHING LIKE CARICOM AND ESTABLISH AN OVERALL SYSTEM RATHER THAN TO EACH COUNTRY. CAP AGREED. HE NOTED THAT VENEZUELA WAS A MEMBER OF THE CARIBBEAN BANK, AND THE BANK COULD BE USED THIS WAY. MR. PASTOR ASKED IF THE BANK WERE CAPABLE OR WHETHER SOME OTHER ENTITY SHOULD BE ESTABLISHED. CAP REPLIED THAT THE BANK WAS A SERIOUS INSTITUTION. MOREOVER WE COULD STRENGTHEN IT. AND USING THEIR INSTRUMENT WOULD GIVE THESE COUNTRIES GREATER CONFIDENCE. IF WE COULD ANNOUNCE A SIGNIFICANT CONTRIBUTION TO THE BANK FOR THESE PURPOSES IT WOULD HAVE GREAT POLITICAL IMPORTANCE.

8. MRS. CARTER THEN REFERRED TO THE OPEC EXCLUSION. SHE SAID THAT JIMMY WANTED HER TO SAY HE IS STUDYING THIS CONFIDENTIALLY AND HOPES HE CAN EFFECT A CHANGE. BUT WITH THE ENERGY PLAN AND THE OIL PRICE ISSUE THERE IS OPPOSITION. THE AMERICAN PUBLIC AND CONGRESS HAD DOUBTS. CAP SAID THAT IN PRACTICE THE LAW DOES NOT HURT VENEZUELA, BUT WE DO BELIEVE THAT IT REPRESENTS A SERIOUS INCONSISTENCY IN PRESIDENT CARTER'S POLICIES BECAUSE IT IS A DISCRIMINATORY LAW. MRS. CARTER NOTED THAT IT WAS A 1974 LAW. IN ANY CASE JIMMY DID WANT HER TO SAY HE WAS WORKING ON IT QUIETLY. THE PRICE ISSUED WAS DIFFICULT. WE UNDERSTOOD THE DESIRE TO INCREASE PRICES IN THE PAST, BUT IT WOULD BE VERY DIFFICULT IF THERE WERE NEW PRICE INCREASES IN THE FUTURE.

9. CAP SAID THAT THE USG SHOULD UNDERSTAND AND EXPLAIN

TO CONGRESS THAT THIS GSP DISCRIMINATION AGAINST VENEZUELA
AND ECUADOR HURTS THE US MORE THAN THESE TWO
COUNTRIES. THIS PROVISION OF THE TRADE LAW WAS THE
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 CARACA 05903 02 OF 04 131615Z

BEST ANTI-US PROPAGANDA THERE WAS. IN A WORLD IN WHICH
WE NEED UNDERSTANDING AND RAPPROACHMENT IT IS INCONCEIVABLE
THAT THE US SHOULD DISCRIMINATE AGAINST SOME NATIONS.
MRS. CARTER SAID WE WOULD WORK ON IT BUT COULD NOT PROMISE
ANYTHING. JIMMY HOPED HE WOULD HAVE SOMETHING TO TELL
THE PRESIDENT IN WASHINGTON IN TWO WEEKS.

10. CAP OBSERVED THAT THE US PRESS HAD ASKED HIM
ABOUT OIL PRICES. HE SAID HE HAD ASKED IN TURN IF US
INDUSTRY WOULD KEEP THE PRICE OF MANUFACTURED ARTICLES AT
THE SAME LEVELS AS IN THE PAST. MRS. CARTER SAID WITH
REFERENCE TO ENERGY, THE AGENDA FOR WASHINGTON MIGHT COVER
LONG-TERM COOPERATION AS WELL AS PRICE. PRICE IS A FACTOR
BUT WE SHOULD NOT BE ADVERSARIES ON PRICE. THERE IS TOO
MUCH ELSE. HOW CAN WE COOPERATE ON ENERGY, SHE ASKED.
CAP SAID THAT THE GOV MUST GUARANTEE THAT VENEZUELA WILL
BE A RELIABLE SOURCE OF OIL. ALSO IT MUST KEEP PROVEN
RESERVES AT A HIGH LEVEL. THE CAPACITY TO INCREASE PRODUCTION
TO COVER US NEEDS IN AN EMERGENCY WAS IMPORTANT.
VENEZUELA, HE WENT ON, MUST URGENTLY EXPLORE THE ORINOCO
TAR BELT. THE USG COULD HELP IN EXCHANGE OF TECHNOLOGY
SO AS TO ADVANCE THIS TASK. THIS WOULD ASSURE A FUTURE
SUPPLY OF OIL. CAP SAID WE SHARE PRESIDENT CARTER'S
CONCEPT IN HIS ENERGY SPEECH THAT OIL WAS SCARCE AND NOT
SUBSTITUTABLE IN THE IMMEDIATE FUTURE; THEREFORE WE MUST
CONSERVE OIL TO MAKE IT LAST. THE GOV HE EXPLAINED
HAD ESTABLISHED A PRODUCTION LEVEL OF 2.2 MILLION BPD. WE
COULD EASILY SELL 2.4 BUT WE ARE NOT INTERESTED. NEVERTHE-
LESS, CAP SAID, AUTHORIZED A 100 THOUSAND BPD INCREASE
TO HELP MEET THE EMERGENCY CAUSED BY THE SEVERE WINTER
IN THE US.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 CARACA 05903 03 OF 04 131655Z
ACTION ARA-14

INFO OCT-01 ISO-00 NSC-05 SS-15 SSO-00 PRS-01 CIAE-00
INR-07 NSAE-00 INRE-00 SP-02 DODE-00 ARAE-00
DHA-02 ACDA-07 PM-04 /058 W
-----131804Z 051188 /47

O 131517Z JUN 77
FM AMEMBASSY CARACAS
TO SECSTATE WASHED IMMEDIATE 8022
THE WHITE HOUSE IMMEDIATE

C O N F I D E N T I A L SECTION 3 OF 4 CARACAS 5903

NSC FOR ROBERT PASTOR

11. AS TO PRICE, CAP WENT ON, WE WILL FOLLOW OPEC.
WE WILL TRY TO BE MODERATE, BUT WE SINCERELY BELIEVE
THAT OPEC IS A TOOL WHICH THE LDC'S MUST USE TO CONVINCE
THE DC'S OF THE NECESSITY TO REACH AGREEMENT ON A JUST
AND EQUITABLE PATTERN FOR TRADE. VENEZUELA CANNOT ACCEPT
THAT PRICES OF BASIC PRODUCTS MUST BE HELD STEADY WHILE
THE PRICES MANIPULATED BY INDUSTRY FOR MANUFACTURED
IMPORTS WE NEED CONTINUE TO RISE. THAT IS NOT AN EQUITABLE
SITUATION. FOR YEARS THE PRICE OF OIL WAS A DOLLAR A
BARREL. WE FOUND, HE SAID, THAT WE HAD TO SELL SUCCESSIVELY
MORE BARRELS OF OIL TO BUY THE SAME TRUCK OR TRACTOR.
THAT WAS THE REASON FOR THE NORTH-SOUTH DIALOGUE.

12. ON NORTH-SOUTH CAP SAID THERE HAD BEEN SOME PROGRESS
BUT NOT MUCH. THE COMMON FUND WAS ACCEPTED IN PRINCIPLE
BUT THE DETAILS WERE LEFT FOR UNCTAD AND THERE IS NO
GUARANTEE THAT A COMMON FUND WILL BE CREATED. SOME PRECISION
ON THIS WAS IMPORTANT. THE FUND FOR A BILLION DOLLARS FOR
THE POOREST WAS GOOD, BUT TOO SMALL, GIVEN THE PROBLEMS
THAT EXIST. TWICE THAT WOULD HAVE BEEN SIGNIFICANT. WE
WILL TALK ABOUT THIS IN SEPTEMBER IN THE UN. AS PROGRESS
IS MADE IN THESE THINGS, THE ISSUE OF OIL PROCESS WILL BE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CARACA 05903 03 OF 04 131655Z

SETTLE. WE DID NOT AGREE TO CONTINUE THE ENERGY
DISCUSSION ONLY BECAUSE THESE THINGS CANNOT BE SEPARATED.
PRESIDENT CARTER'S ENERGY SPEECH WAS REALISTIC. IN IT HE
RECOGNIZED THAT OIL WAS WORTH MORE THAN IT HAD BEEN. TO
EXPLOIT NON-CONVENTIONAL DEPOSITS REQUIRES A HIGHER
PRICE. HIGHER PRICES WILL BE NEEDED TO EXPLOIT THE TAR BELT.
THE US AND NORWAY ARE SELLING NORTH SEA OIL AT PRICES
ABOVE THE OPEC LEVEL. MRS. CARTER SAID THAT THIS WILL
SURELY BE ON THE AGENDA AND CAP CAN PURSUE IT WITH JIMMY.
CAP SAID THAT EXCHANGE OF ENERGY TECHNOLOGY WAS IMPORTANT.
THIS COULD INCLUDE NOT ONLY OIL BUT NON-HYDROCARBON SOURCES
SUCH AS SOLAR AND NUCLEAR. MRS. CARTER SAID SHE WOULD ADD
ENERGY TECHNOLOGY TO THE AGENDA OF TOPICS.

13. MRS. CARTER THEN ASKED ABOUT CUBA AND AFRICA. CAP SAID AFRICA WORRIES HIM. THE USSR IS PENETRATING THE CONTINENT STRONGLY AND RAPIDLY. VACILLATION BY EUROPE AND THE US ON DISCRIMINATION INCREASED THE SOVIET FORCE IN THIS BECAUSE AT LEAST IN WORDS THEY OPPOSED DISCRIMINATION AND SUPPORTED THE BLACKS. THUS NON-COMMUNIST BLACK GROUPS WERE FORCED TO SEEK SUPPORT AND HELP FROM THE SOVIETS, AND THEY GOT IT. IF THIS GOES ON, WE WILL FIND THAT SOON INTERNATIONAL COMMODITY AGREEMENTS OR ARRANGEMENTS THAT MAY BE CONCLUDED WILL BE UNDER THE CONTROL OF FRIENDS OF THE SOVIETS. SEGREGATION IN AFRICA WILL END WITH OR WITHOUT WESTERN SUPPORT. THE ERROR OF THE US LAY IN NOT TAKING UP THE BANNER TO LEAD THE FIGHT AGAINST DISCRIMINATION. ECONOMIC INTERESTS PRESS TO MAINTAIN MINORITY WHITE GOVERNMENTS BUT THIS IS A DECEPTION. WHITE RULE CANNOT LAST.

14. ALL THIS, CAP WENT ON, RELATES TO CUBA'S INTEREST IN THE CARIBBEAN. CUBA ACTS IN AFRICA IN FAVOR OF THE BLACKS IN ORDER TO WIN THE CARIBBEAN. IF THE AFRICAN SITUATION WERE DEALT WITH IN A MORE DECISIVE WAY BY THE US AND EUROPE, CUBA WOULD LEAVE AFRICA. SPREADING CUBAN INFLUENCE IN THE CARIBBEAN WAS OBVIOUS AND DANGEROUS. IT MUST BE CONFIDENTIAL

CONFIDENTIAL

PAGE 03 CARACA 05903 03 OF 04 131655Z

STOPPED. WITH SOVIET HELP THEY ARE COOPERATING WITH JAMAICA, GUAYANA AND OTHER ISLANDS. WE DO LITTLE TO COUNTER IT. THIS MAKES A CARIBBEAN DEVELOPMENT PROGRAM DISCUSSED EARLIER URGENT. AS TO RELATIONS WITH CUBA. NEITHER CUBA NOR THE LATINOS ARE INTERESTED IN A RETURN TO THE OAS AT THIS POINT. THAT IS FOR THE FUTURE. BUT NORMALIZATION OF RELATIONS IS A GOOD FRAMEWORK FOR THE IMMEDIATE FUTURE. CUBA BASICALLY DOES NOT WANT FULL DIPLOMATIC RELATIONS WITH THE US. IT WANTS ECONOMIC BENEFITS FROM REMOVAL OF THE EMBARGO. THAT IS WHY IT AGREED TO EXCHANGE OF INTEREST SECTIONS. PRESENCE OF THE US AND OTHERS IN HAVANA IS A THREAT TO CASTRO'S INTERNAL CONTROL. FOR THE US THIS IS A DIFFERENT LAST STEP. PROGRESS HAS BEEN MADE, HOWEVER. CUBANS HAVE SAID NO RENEWAL OF RELATIONS UNLESS THE ECONOMIC BLOCKADE ENDS FIRST. BUT THIS SHOULD NOT BE AN OBSTACLE. THE TWO THINGS COULD OCCUR SIMULTANEOUSLY. WE CAN CONTROL CASTRO BETTER WITH RELATIONS THAN WITHOUT THEM.

15. THE CUBAN PROBLEM HAS OTHER ASPECTS, VIZ. THE TERRORIST EXILE GROUPS IN FLORIDA WITH BRANCHES IN VENEZUELA AND THE DOMINICAN REPUBLIC. THEY ARE AGGRESSIVE. THE US IS GOING TO HAVE AN INTERNAL PROBLEM AS IT PROCEEDS TO NORMALIZE RELATIONS. WE HAVE HAD PROBLEMS IN VENEZUELA. THE CUBANA PLANE BOMBING IN OCTOBER

WAS MOUNTED FROM VENEZUELAN SOIL.

16. MR. PASTOR ASKED IF CAP WOULD CLARIFY WHAT HE MEANT BY A MORE DECISIVE AFRICAN POLICY FOR THE US. CAP SAID THE ONLY WAY WAS TO TAKE THE INITIATIVE IN ESTABLISHING DEAD-LINES FOR THE END OF WHITE MINORITY RULE AND PUSHING THEM. OTHERWISE GUERRILLA MOVEMENTS WILL GROW. CUBA MIGHT NOT SEND MORE TROOPS BUT IT WOULD USE THOSE NOW THERE TO TRAIN. BASICALLY, HE SAID IN REPLY TO A FURTHER QUESTION, HE REFERRED TO RHODESIA AND SOUTH AFRICA.

CONFIDENTIAL

CONFIDENTIAL

PAGE 04 CARACA 05903 03 OF 04 131655Z

17. MR. PASTOR ALSO REFERRED TO THE CUBAN EXILES IN MIAMI AND NOTED THAT THERE WAS A CHANGE OF SENTIMENT BY AND LARGE. THEY WERE NOW NOT SO HOSTILE. CAP SAID THAT WAS IMPORTANT. TO CONTROL THE TERRORISTS, HOWEVER, HE THOUGHT IT ESSENTIAL TO ESTABLISH AN EXCHANGE OF INFORMATION AMONG THE US, VENEZUELA AND THE D.R.

18. MRS. CARTER THEN NOTED THAT HER SUGGESTIONS FOR AN AGENDA FOR THE TALKS IN WASHINGTON WERE HUMAN RIGHTS, CARIBBEAN, CUBA, BELIZE. AT THIS POINT CAP INTERRUPTED TO SAY BELIZE WAS THE AREA'S MOST DANGEROUS HOT SPOT. GUATEMALA WANTS A GREAT DEAL OF BELIZE TERRITORY, AS A PRICE FOR BELIZE'S INDEPENDENCE. CAP SAID HE TRIES TO MEDIATE IN THE PAST AND HAD PERSUADED PRIME MINISTER PRICE TO AGREE TO BORDER DEFINITIONS TO A DEFENSE TREATY AND TO COOPERATION IN INTERNATIONAL RELATIONS AND SHARING THE MARITIME SEA RESOURCES. GUATEMALA REFUSED. MEXICO SAYS SHE HAS NO OBJECTION OF BELIZE BECOMES INDEPENDENT, BUT IF GUATEMALA IS GOING TO GET TERRITORY SHE WILL ASSERT MEXICAN CLAIMS. THE UK WANTS NO TROUBLE AND IS DISPOSED TO GRANT INDEPENDENCE AND AID BELIZE'S DEFENSE. BUT IT DOES NOT SEE GUATEMALA YIELDING. CAP SAID THE UK, VENEZUELA, MEXICO AND THE US SHOULD PRESS GUATEMALA TO ACCEPT INDEPENDENCE. ANOTHER DANGER IS THAT CUBA WILL INTERVENE. IT IS INTERESTED IN DOING SO. THE BELIZE ISSUE MAY COME UP IN THE OAS. JAMAICA MAY BRING IT UP. THIS WILL PUT THE LATINOS WHO HAVE NOT WANTED TO TAKE A STAND ON THE ISSUE IN A DELICATE POSITION.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 CARACA 05903 04 OF 04 131726Z
ACTION ARA-14

INFO OCT-01 ISO-00 NSC-05 SS-15 SSO-00 PRS-01 CIAE-00
INR-07 NSAE-00 INRE-00 SP-02 DODE-00 ARAE-00
DHA-02 ACDA-07 PM-04 /058 W
-----131802Z 051533 /47

O 131517Z JUN 77
FM AMEMBASSY CARACAS
TO SECSTATE WASHDC IMMEDIATE 8023
WHITE HOUSE IMMEDIATE

C O N F I D E N T I A L SECTION 4 OF 4 CARACAS 5903

19. MRS CARTER THEN BROUGHT UP NON-PROFILERATION AND THE
TLATELOLCO. CAP SAID WE SHOULD BE EMPHATIC ABOUT THAT IN
THE JOINT DECLARATION IN WASHINGTON. IT SHOULD ALSO BE
BROUGHT UP IN GRENADA.

20. CAP SAID THAT AT GRENADA THE SOUTHERN CONE, WHO
NOW HAVE SURPRISINGLY THE D R AS A SPOKESMAN, WILL TRY
TO PUSH THRU A DECLARATION OF NON-INTERVENTION TO
COUNTER OUR HUMAN RIGHTS POLICY. THE DEMOCRACIES SHOULD
MAKE A STRONG STATEMENT FIRST ON NON-INTERVENTION AND
ON HUMAN RIGHTS. THIS WILL FORESTALL A BAD RESOLUTION ON
NON-INTERVENTION AND POSSIBLE DIVISIONS IN THE MEETING.

21. MRS CARTER RETURNED TO THE NORTH-SOUTH QUESTION AND
CAP ASKED PEREZ GUERRERO (PG) TO COMMENT. PG SAID THAT
THE DIALOG DID NOT END AS WELL AS HOPED FOR BUT THERE
WAS SOME PROGRESS. WE HAD OPPOSED AN EXTENSION OF
THE DIALOG BECAUSE TOO MANY LDC7S WERE LEFT OUT.
THE G19 WAS TOO SMALL TO REPRESENT 77 OR SO DEVELOPING
NATIONS. THE TALKS GO NOW TO THE UN WHERE SMALLER
NEGOTIATING GROUPS CAN STILL BE ESTABLISHED. PG SAID
HE DID NOT REGRET THE PROLONGATION OF CIEC LAST YEAR BECAUSE
IT GAVE THE CARTER ADMINISTRATION TIME TO ENTER THE SCENE.
WE FRANKLY EXPECTED MORE, HE SAID; WE HOPED THE US
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CARACA 05903 04 OF 04 131726Z

WOULD BE MORE FORTHCOMING. WE HOPE THAT IN TIME THIS
CAN IMPORVE AND GREATER PACE BE SET. DEBT RELIEF IS
IMPORTANT. IN THE FACE OF A TOTAL LDC DEBT OF \$10 BILLION
THE ONE BILLION DOLLAR FUND WAS TOO SMALL. HE NOTED THAT
MANY COUNTRIES PRIVATELY PROMISED INCREASED BILATERAL
AID WITH MANY INDICATING A FIVE-FOLD INCREASE OVER
THE FUTURE. THE G-19 AVOIDED CONFRONTATION TO GIVE THE
US AND OTHERS TIME AND OPPORTUNITY TO "COME AROUND".

22. BASICALLY, PG SAID, THE INDUSTRIALIZED WORLD CANNOT LIVE WITHOUT US AND WE NEED THEM. OIL IS AN INSTRUMENT HE SAID AND WE WILL USE IT BUT WE WILL TRY TO USE IT WISELY AND IN THE FRAMEWORK OF A NORTH-SOUTH ACCOMMODATION. WE NEED AN UNDERSTANDING WITH YOU, HE WENT ON AND VICE-VERSA. DETENTE WITH THE EAST WAS NOT POSSIBLE FOR THE US IF THERE WAS NO ENTENTE WITH THE SOUTH. IT WAS IMPORTANT, PG EMPHASIZED, THAT PRESIDENT CARTER UNDERSTAND THESE POINTS. MRS CARTER SAID SHE WOULD GIVE HIM THIS OVERALL VIEW AND THEN CAP CAN TAKE UP SPECIFICS.

23. ASKED IF THERE WERE ANY OTHER TOPICS HE WOULD LIKE TO BRING UP, CAP MENTIONED PANAMA. THE TALKS WERE GOING WELL, BUT HE REPEATED THE PROBLEM OF WANTING TO STIPULATE PRIORITY FOR US WAR SHIPS IN WAR TIME. THE US AS A PRACTICAL MATTER WOULD HAVE PRIORITY, SO WHY MENTION IT AND RISK CLAIMS FROM OTHER COUNTRIES FOR THE SAME PRIVILEGE. HE REPEATED THAT IT WAS IMPORTANT TO FINISH NEGOTIATIONS IN THE NEXT FEW MONTHS. IF NOT, PANAMA WOULD BE THE GRAVE OF US-LATIN AMERICAN RELATIONS. IN RESPONSE TO A QUESTION HE SAID HE HAD LAST TALKED TO TORRIJOS THREE DAYS AGO AND HAD BEEN GIVEN A SUMMARY OF THE CONVERSATIONS AND COPIES OF SOME OF THE MEMORANDA.

24. CAP ALSO REFERRED TO THE CHILE-PERU CASE AND SAID THE ONLY SOLUTION HE SAW TO THE TENSION WAS TO GIVE BOLIVIA PHYSICAL ACCESS TO THE SEA. IF SEVERAL COUNTRIES,
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 CARACA 05903 04 OF 04 131726Z

INCLUDING VENEZUELA AND THE US, COULD OFFER CHILE, PERU AND BOLIVIA A COOPERATIVE PROGRAM OF INTEGRATED DEVELOPMENT THIS COULD LEAD TO SUCH A SOLUTION. AID HE NOTED WAS PARTICULARLY NEEDED BY PERU. HELPING MORALES BERMUDEZ STRENGTHENS HIS MODERATE PROGRESSIVE POLICES INTERNALLY AND SOLVES THE BOLIVIAN PROBLEM. AMBASSADOR TODMAN RECALLED CHILE'S PROPOSAL RECENTLY AND PERU'S COUNTER FOR A CORRIDOR UNDER TRI-PARTITE CONTROL. HE ASKED IF THIS WOULD LEND ITSELF TO THE CONCEPT OF INTEGRATED DEVELOPMENT. CAP SAID BOLIVIA WOULD ACCEPT A CORRIDOR TO THE SEA, BUT INTERNATIONAL CONTROL OVER ONLY ARICA. THIS COMBINED WITH INTERNATIONAL ECONOMIC SUPPORT SHOULD INTEREST ALL, AND THIS WAS THE BALL PARK IN WHICH SOMETHING COULD BE DEvised.

25. CAP THEN RAISED THE QUESTION OF CONDUCT OF MULTI-NATIONAL AND ILLICIT PAYMENTS. AMBASSADOR VAKY DESCRIBED THE MECHANICAL STRUCTURE OF ECOSOC CONSIDERATION OF THE PROBLEM, AND THE WORK OF THE TWO SUB-COMMITTEES, AS WELL AS THE OPPORTUNITY TO MOVE AHEAD NOW

ON THE TREATY ON ILLICIT PAYMENTS. CAP SAID THAT HE FELT IT NECESSARY TO MOVE THE TWO THINGS TOGETHER. AMBASSADOR TODMAN NOTED THAT THE CODE OF CONDUCT WOULD TAKE TIME TO DEVELOP. MEANWHILE NATIONS WERE LOSING THE OPPORTUNITY TO STOP BRIBERY. IF WE COULD MOVE RAPIDLY ON THE TREATY WE COULD MAKE PROGRESS THERE. IF WE WAIT FOR THE WHOLE PACKAGE, BRIBERY WOULD CONTINUE. CAP SAID THIS WOULD BE WORTH WHILE EXPLORING WHEN HE WAS IN NEW YORK. SO FAR, HE SAID, SEVERAL OF THE LDC'S WERE WORRIED ABOUT MOVING ON ONE AND NOT THE OTHER, AND THAT THEY FEARED TO SEPARATE THE TWO MATTERS. TODMAN SAID THE US WAS THE BIGGEST VICTIM OF ALL SO WE WANTED TO SOLVE THIS, AND IF WE MOVE NOW ON THE ASPECT WE HAVE AN OPPORTUNITY TO TIE DOWN WE CAN KEEP ON WITH THE TOTAL PICTURE. CAP SAID WE SHOULD TALK SOME MORE ABOUT THIS ESPECIALLY IN NEW YORK. PEREZ GUERRERO SAID THAT WE COULD PULL OUT THIS ONE
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 CARACA 05903 04 OF 04 131726Z

WEED, BUT WE NEEDED THE OVERALL FRAMEWORK. MR PASTOR SAID WE AGREED WITH THE GENERAL OBJECTIVES BUT THE CODE OF CONDUCT DISCUSSION WAS GOING IN DIFFERENT DIRECTIONS. IT WOULD BE A GENERAL CODE WHICH EACH COUNTRY WOULD HAVE TO APPLY IN ITS BILATERAL SITUATION ONLY AND WITHOUT ANY BINDING OBLIGATIONS. THE ILLICIT PAYMENTS, ON THE OTHER HAND, CANNOT BE HANDLED BY ANY ONE COUNTRY. THUS THE TREATY WOULD BE MULTILATERAL AND OBLIGATORY. THEREFORE IT WOULD BE BIGGER AND MORE EFFECTIVE THAN THE CODE OF CONDUCT IN MEETING THE VERY CONCERNS OF THE LDC'S. CAP SAID HE WOULD TAKE A MEMO CONTAINING HIS IDEAS ON THIS IN WRITING TO PRESIDENT CARTER.

26. THE MEETING ENDED ON CAP'S NOTE THAT SINCE BOTH HE AND PRESIDENT CARTER WERE FARMERS THEY SHOULD PARTICULARLY DISCUSS ECOLOGY AND CONSERVATION.
VAKY

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 13-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CARACA05903
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770210-0765
Format: TEL
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770664/aaaaceep.tel
Line Count: 641
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a9394f7e-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 12
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 16-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2179903
Secure: OPEN
Status: NATIVE
Subject: MRS. CARTER'S SECOND CONVERSATION WITH PRESIDENT CARLOS ANDRES PEREZ, SUNDAY, JUNE 12
TAGS: OVIP, VE, (CARTER, ROSALYNN)
To: STATE THE HAGUE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/a9394f7e-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009